

State of California—Health and Human Services Agency  
**Department of Health Services**



California  
Department of  
Health Services

**SANDRA SHEWRY**  
Director



**ARNOLD SCHWARZENEGGER**  
Governor

**DATE:** June 6, 2007

MMCD All Plan Letter 07011

**TO:** ALL MEDI-CAL MANAGED CARE HEALTH PLANS

**SUBJECT:** UPDATE ON CALIFORNIA DEPARTMENT OF HEALTH SERVICES  
REORGANIZATION

This All Plan Letter is intended to provide information to all Medi-Cal managed care health plans about Senate Bill 162 (SB162) and to update you relative to activities associated with the reorganization of the California Department of Health Services (CDHS). As you may be aware SB162 establishes the California Department of Public Health (CDPH) within the existing Health and Human Services Agency and statutorily transfers certain responsibilities from CDHS to the new CDPH, effective July 1, 2007. At the same time, CDHS is renamed as the Department of Health Care Services.

There are several benefits to the reorganization of the CDHS into CDPH and DHCS:

- To provide more focused leadership in public health and health care financing at the state level;
- To streamline management of complex program components along functional lines;
- To create a more effective public health infrastructure in California resulting in decreased illness, injury, and death rates;
- To provide greater protection for California residents in the event of an act of bioterrorism or other major public health emergency;
- To increase accountability, responsiveness, effectiveness and transparency for the public health and health care purchasing functions of state government;
- To provide visibility on important health care issues to providers, local health departments, federal government, legislature, advocates, press and general public; and
- To recruit and retain top quality staff for the new Departments.

Current day-to-day operations for the Medi-Cal Managed Care Division will continue under the new DHCS after July 1. For more information about the CDHS


reorganization, including organization charts and frequently asked questions, please visit the following website:

<http://www.dhs.ca.gov/home/organization/reorganization>

In mid-June, CDHS will send out specific information about new email addresses, website links, mailing addresses and other information that you will need to communicate with the CDPH and DHCS programs. We also will post this information on the above website for ready reference.

Your cooperation and assistance in this matter are greatly appreciated. If you have any questions or concerns regarding this letter, please contact your Contract Manager. Thank you for your continued cooperation.

Sincerely,

A handwritten signature in black ink that reads "Vanessa M. Baird". The signature is written in a cursive, flowing style.

Vanessa M. Baird, MPPA, Chief  
Medi-Cal Managed Care Division